

AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF THE REPUBLIC OF GUINEA
REGARDING THE REDUCTION OF CERTAIN
DEBTS OWED TO, GUARANTEED BY, OR INSURED BY
THE UNITED STATES GOVERNMENT AND ITS AGENCIES

Acknowledging the September 1999 commitment of the President of the United States to provide 100 percent debt forgiveness of eligible debt to certain Heavily Indebted Poor Countries;

Recognizing that the Executive Boards of the International Monetary Fund and the World Bank's International Development Association determined on December 20 and 22, 2000, respectively, that the Republic of Guinea had reached the "Decision Point" as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries (HIPC);

And recognizing that the Executive Board of the International Monetary Fund approved on December 21, 2007 a three-year arrangement for Guinea under the Poverty Reduction and Growth Facility;

The Government of the United States of America (the "United States") and the Government of the Republic of Guinea ("Guinea") agree as follows:

ARTICLE I

Application of the Agreement

In accordance with the recommendations contained in the Agreed Minutes on the Consolidation of the Debt of the Republic of Guinea, signed in Paris on January 23, 2008 by representatives of certain nations, including the United States, and by the representative of the Government of Guinea, and in accordance with the applicable domestic laws of the United States and Guinea, the United States and Guinea agree herein to the cancellation of certain Guinean payments arising from debts which are owed to, guaranteed by, or insured by the United States Government and its Agencies.

ARTICLE II

Definitions

1. "Agencies" mean the United States Department of Agriculture ("USDA"), including USDA's Commodity Credit Corporation ("CCC"); the United States Agency for International Development ("USAID"); and the Export-Import Bank of the United States ("Ex-Im Bank").
2. "Completion Point" means the date on which the Boards of the International Monetary Fund ("IMF") and the World Bank decide that the Republic of Guinea has reached its Completion Point as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries.
3. "Consolidated ODA and non-ODA Arrears" mean one hundred (100) percent of the amounts of unpaid principal and interest, including Late Interest, due as of December 31, 2007, inclusive, under the Contracts specified in paragraph 6 of this Article.
4. "Consolidated ODA and non-ODA Debt" means one hundred (100) percent of the amounts of principal and interest, excluding Late Interest, falling due during the Consolidation Period under the Contracts specified in paragraph 6 of this Article.
5. "Consolidation Period" means: (a) the period from January 1, 2008 through December 31, 2008, inclusive, if the conditions set forth in Article IV, paragraph 1 of this Agreement are satisfied; (b) the period from January 1, 2008 through December 31, 2009, inclusive, if the conditions set forth in Article IV, paragraphs 1 and 2 of this Agreement are satisfied; and (c) the period from January 1, 2008 through December 31, 2010, inclusive, if the conditions set forth in Article IV, paragraphs 1, 2 and 3 of this Agreement are satisfied.
6. "Contracts" mean those agreements or other financial arrangements which have maturities under:

(a) loans made by the United States and its Agencies, having an original maturity of more than one year, and which were extended to the Government of Guinea or its public sector or covered by a guarantee of Guinea or its public sector, pursuant to agreement concluded prior to June 20, 1999; and

(b) the bilateral debt restructuring agreements (“Restructuring Agreements”) between the United States and Guinea signed on November 22, 1989; June 24, 1993; November 18, 1996; October 29, 1997; and April 8, 2002.

A table listing the relevant contracts to be included under the reduction is attached hereto as Annex A.

Debt service due as a result of debts described above and effected through special payment mechanisms or other external accounts is covered by this Agreement.

7. “Late Interest” means interest charges payable on due, but unpaid amounts of principal and interest that have accrued from the original contractual due date up to December 31, 2007, inclusive, on amounts of Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears in accordance with the terms of the Contracts, notwithstanding the payment of such principal and interest subsequent to the original due dates.

8. “Minutes” means the Agreed Minutes on the Consolidation of the Debt of the Republic of Guinea, signed in Paris by Participating Creditor Countries, including the United States, and by the representative of Guinea on January 23, 2008.

9. “Participating Creditor Countries” means the creditor countries, including the United States, which are signatories to the Minutes.

ARTICLE III

Terms and Conditions

1. The amount equal to 100 percent of the Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears is hereby cancelled.

A table summarizing the amount of Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears to be cancelled if the Consolidation Period is January 1, 2008 to December 31, 2008, inclusive, is attached hereto as Annex B1. A table summarizing the amount of Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears to be cancelled if the Consolidation Period is January 1, 2008 to December 31, 2009, inclusive, is attached hereto as Annex B2. A table summarizing the amount of Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears to be cancelled if the Consolidation Period is January 1, 2008 to December 31, 2010, inclusive, is attached hereto as Annex B3.

2. Adjustments in the amounts of Consolidated ODA and non-ODA Debt and Consolidated ODA and non-ODA Arrears may be made in writing, as necessary and by mutual consent.

3. All terms of the Contracts remain in full force and effect, except as they may be modified by this Agreement.

ARTICLE IV

General Provisions

1. The provisions of this Agreement will apply during the period January 1, 2008 to December 31, 2008, inclusive, provided Guinea continues to have an appropriate arrangement with the International Monetary Fund (IMF).

2. The provisions of this Agreement will apply during the period January 1, 2008 to December 31, 2009, inclusive, provided that (i) the Chairman of the Paris Club or his designee has informed the Government of Guinea in writing that the Executive Board of the International Monetary Fund has approved the 3rd review of the arrangement for Guinea under the Poverty Reduction and Growth Facility; and (ii) Guinea has made on due dates the payments referred to in the Minutes.

3. The provisions of this Agreement will apply during the period January 1, 2008 to December 31, 2010, inclusive, provided that (i) the Chairman of the Paris Club or his designee has informed the Government of Guinea in writing that the Executive Board of the International Monetary Fund has approved the 5th review of the arrangement for Guinea under the Poverty Reduction and Growth Facility; and (ii) Guinea has made on due dates the payments referred to in the Minutes.

4. The parties agree that the conditions set forth in Article IV, paragraph 3 of the Restructuring Agreement between the United States and Guinea signed on April 8, 2002 (the "2002 Restructuring Agreement") have not been met, and that the consolidation, reduction, and rescheduling of maturities provided for in Article III of the 2002 Restructuring Agreement do not apply to principal or interest installments due on or after April 1, 2003 under the original terms of the Contracts specified in Article II, paragraph 6 of this Agreement.

5. The United States and its Agencies reserve the right, in their discretion, to redirect any payment made by Guinea on its obligations under the Contracts or under this Agreement if the United States concludes that such action will more effectively implement the recommendations contained in the Minutes as well as any subsequent actions of the Paris Club in relation to Guinea. In making a decision whether to redirect such payments, the United States may take into account any factors it deems appropriate, including, but not

limited to, any actions on the part of Guinea that result in Guinea's failure to satisfy the conditions of Article IV, paragraphs 1, 2 and 3 of this Agreement. As used in this paragraph, "redirect" means: (1) to apply or reapply all or a portion of a payment made by Guinea to either an obligation due or coming due under this Agreement or to another obligation due or coming due of Guinea to the United States or its Agencies; or (2) to return any amount to Guinea.

6. Guinea agrees to grant the United States and its Agencies treatment on terms no less favorable than those which it has accorded, or may accord, to any other creditor country or its agencies for the reduction of debts of comparable maturities.

7. Guinea shall seek to secure from external creditors, including banks and suppliers, reduction and reorganization arrangements on terms comparable to those set forth in the Minutes for credits of comparable maturity, while trying to avoid inequity between different categories of creditors, all as described in the Minutes.

8. With respect to amounts owing to USAID under this Agreement, Guinea agrees to the additional terms and conditions set forth in Annex C.

9. With respect to amounts owing to Ex-Im Bank under this Agreement, Guinea (referred to as the "Government" hereto) agrees to the additional terms and conditions set forth in Annex D.

10. The Annexes shall constitute an integral part of this Agreement.

11. This Agreement may be amended or modified by mutual written consent of the United States and Guinea.

ARTICLE V

Subsequent Debt Reduction

1. If Guinea maintains satisfactory financial relations with the Participating Creditor Countries, fully implements all external debt agreements signed with them, maintains a sound adjustment track record, and the Boards of the IMF and the World Bank decide that Guinea has reached its Completion Point as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries, the United States agrees, in principle, to participate in a Paris Club meeting convened for the purpose of considering treatment of Guinea's stock of debt. The United States agrees, in the context of equitable burden sharing among creditors, to take such actions as it deems appropriate to enable Guinea to reach its debt sustainability objectives.

2. If, following the conclusion of the Consolidation Period as defined in this Agreement, but prior to the meeting referred to in Article V, paragraph 1, the Paris Club determines that

conditions in Guinea warrant additional interim debt relief and a further extension of the Consolidation Period, the United States agrees, in principle, to cancel 100 percent of Guinea's principal and interest payments falling due during the further extension of the Consolidation Period agreed to by the Paris Club.

ARTICLE VI

Suspension or Termination

The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to Guinea. In particular, the United States may terminate all or part of this Agreement if the Participating Creditor Countries determine that Guinea has not met its obligations under the Minutes, including that of comparable treatment. If the United States terminates all or part of this Agreement, all debts cancelled under this Agreement shall be due and payable immediately according to terms of the original Contracts, following notification to Guinea of termination of the Agreement.

ARTICLE VII

Entry into Force

This Agreement shall enter into force following signature of the Agreement and written notice from the United States to Guinea that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

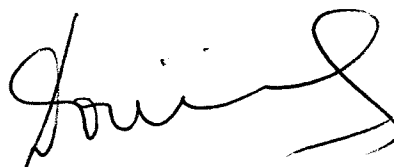
Done at Conakry, in the English and French language, both texts being equally authentic, in duplicate, this 9th day of May, 2008.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:



Phillip Carter III
Ambassador

FOR THE GOVERNMENT OF THE
REPUBLIC OF GUINEA:



Dr. Ousmane Dore
Ministre de l'Economie, des Finances et
du Plan.

Annex A

Contracts Subject to Reduction

USAID Loan Numbers:

675G025R
675G026R
675G027R
675G029R
675G030R
675X032R

USDA (PL-480 Agreements) Loan Numbers:

73GV1	83GV1
74GV1	84GV1
75GV1	85GV1
76GV1	86GV1
77GV1	87GV1
78GV1	89GVA
79GV1	93GVA
80GV1	95GVA
81GV1	97GVA
82GV1	01GVA

Export-Import Bank Loan Numbers:

R0138
R0191
R0211
R0231
R0264

Annex B1
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
January 1, 2008 through December 31, 2008
(thousands of U.S. dollars)

USAID	\$3,897
USDA and CCC	\$39,166
Export Import Bank	\$3,186
Total	\$46,249

Annex B2
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
January 1, 2008 through December 31, 2009
(thousands of U.S. dollars)

USAID	\$4,769
USDA and CCC	\$45,536
Export Import Bank	\$4,029
Total	\$54,334

Annex B3
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
January 1, 2008 through December 31, 2010
(thousands of U.S. dollars)

USAID	\$5,833
USDA and CCC	\$52,678
Export Import Bank	\$5,049
Total	\$63,560

Annex C

Additional Terms and Conditions with Respect to
Amounts Owed to USAID

1. Adjustments. Following the execution of this Agreement, USAID shall inform Guinea of the actual amounts to be reduced hereunder. The parties hereto agree to make any necessary adjustments to the amounts being reduced under this Agreement and such amounts may be further adjusted, from time to time, as the parties may mutually agree.
2. Future consolidations. If the terms of this Agreement provide for the Consolidation Period to be extended beyond the initial Consolidation Period, and provided conditions contained in the Agreement are met, USAID will manage each extended period as a separate loan and identify it with a separate loan number and interest rate. Following notification that the conditions have been met, USAID will inform Guinea of the actual amounts to be reduced under that consolidation.
3. Communications. All communications between Guinea and USAID shall be in writing in the English language (or accompanied by an accurate translation). All communications to Guinea shall be addressed as Guinea may designate from time to time in writing to USAID. All communications to USAID shall be addressed as follows:

Chief
Office of Financial Management, Loan Management Division (FM/LM)
USAID
1300 Pennsylvania Avenue, N.W.
Room 2.10.B56
Washington, D.C. 20523
Fax: (202) 216-3541

USAID may change this designated address upon written notice to Guinea.

4. Authorized Representatives. Guinea shall designate in writing duly authorized representatives permitted to perform any and all actions required under this Agreement and may change its designated representatives by written notice to USAID. USAID may accept the signature of such representatives on any instrument as conclusive evidence that any such action effected by such instrument is authorized by Guinea until receipt of written notice of revocation of their authority.
5. Waivers of Default. No delay in exercising, or omission to exercise, any right accruing to USAID under this Agreement shall be construed as an acquiescence or waiver by USAID of any such right.

6. Governing Law. The USAID portion of this Agreement will be governed by and construed in accordance with the laws of the District of Columbia, United States of America.

7. Expenses. Guinea shall reimburse USAID, upon demand, for all reasonable, necessary and documented expenses (including legal fees) incurred by or charged to USAID in connection with or arising out of USAID's successful attempts to enforce this Agreement.

Annex D

Additional Terms and Conditions with Respect to Amounts Owed to Ex-Im Bank

The Government of the Republic of Guinea (hereinafter referred to as the “Government”), agrees to the following additional terms and conditions with respect to the amounts owing to Ex-Im Bank, guaranteed by Ex-Im Bank, or insured by Ex-Im Bank, pursuant to the attached Agreement between the United States of America and the Government:

A. Representations. The Government represents and warrants that it has taken all actions necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Ex-Im Bank to enforce the Government’s obligations under this Agreement.

B. Miscellaneous Provisions.

1. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Ex-Im Bank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Ex-Im Bank in connection with the enforcement of this Agreement.

2. Adjustments. On or about 135 days after the execution of this Agreement, Ex-Im Bank shall inform the Government of the actual amounts to be reduced hereunder. The parties hereto agree to make any necessary adjustments to the amounts being reduced.

3. Communications. All communications between the Government and Ex-Im Bank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to the Government shall be addressed to the Government at the address designated by the Government from time to time in writing to Ex-Im Bank; all communications to Ex-Im Bank shall be addressed to Ex-Im Bank at the following address:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention: Treasurer-Controller
Telex: 89461 EX-IM BANK WSH

197681 EXIM UT

Facsimile: (202) 565-3890

Reference: Ex-Im Bank Loan R-304